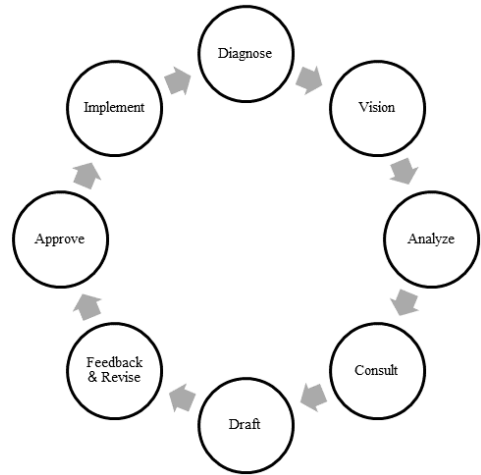


Strategic Planning for the Texas Workforce System

Texas Government Code, Section 2308.104, mandates that the Council develop a single strategic plan for the state’s workforce system. The plan must include goals, objectives and performance measures for the workforce system that involve programs of all state agencies that administer workforce programs.



Senate Bill 429, passed by the 77th Legislature, established the following state agencies as the workforce system partners: Texas Workforce Commission, Texas Education Agency, Texas Higher Education Coordinating Board, Economic Development and Tourism, Texas Health and Human Services Commission – Department of Assistive and Rehabilitative Services, Texas Juvenile Justice Department, Texas Department of Criminal Justice – Windham School District, and Texas Veterans Commission.

Approved by the Council in September 2015, the FY 2016 to FY 2023 strategic plan for the Texas workforce system focuses on the vision of the current and future system and the issues that must be addressed to strengthen that system as articulated by the Council, its agency partners, and employers.

The Council’s eight workforce partner agencies have collaborated in the strategic planning activities with the Council through representation on the Council, on the System Integration Technical Advisory Committee (SITAC), and through listening sessions conducted over the preceding 24 months. The Council’s commitment to developing an inclusive, systems-approach strategic plan that is built on the key issues and opportunities identified by partner agencies during the listening sessions was achieved through early involvement of all system partners. Continuous opportunities to obtain input from Council members and system partners were employed to develop a shared understanding and alignment of priorities, objectives, and desired outcomes. A common action and reporting framework for use across all system, program, and service components is included in the plan.

The Council and SITAC drafted the preliminary vision and mission. The Executive Committee finalized the vision, mission, goals, system objectives, and agency strategies for the Council’s consideration. The Council also heard the proposed actions, timelines, and performance measures for each strategy from each agency responsible for the strategy.

The draft strategic plan was reviewed by the Council in June and posted to the Texas Register for a 30-day public comment period. In September 2015, the Council formally considered and approved the plan. The FY 2016 to FY 2023 strategic plan for the Texas workforce system was submitted to the Governor for approval. Key performance areas of the plan include: focus on employers, engage in partnerships, align system elements, and improve and integrate programs.

The implementation of the plan will include a review and update of the plan in the fourth year of implementation. This review and update will identify additional actions, with associated timelines, required to continue work on the long-term system objectives and strategies. It will also include a system scan to determine whether additional strategies should be added in the plan.

Texas Workforce System Partners and Programs

Texas workforce system partners collaborate to better align, leverage, and integrate system services to develop a world-class workforce and ensure a higher quality of life for all Texans through educational, employment, and economic success. Eight state agencies, local workforce development boards, community and technical colleges, local adult education providers, and independent school districts actively contribute to statewide programs and those highlighted in this report.

The table below shows the partners and primary and supporting programs that comprise the FY 2015 Texas workforce system:

FY 2015 Texas Workforce System Partners and Programs	
Texas Department of Criminal Justice <ul style="list-style-type: none">Postsecondary Academic and Technical EducationWindham School District<ul style="list-style-type: none">Secondary Academic EducationSecondary Technical Education	Texas Juvenile Justice Department <ul style="list-style-type: none">Secondary Academic EducationSecondary Technical Education
Texas Education Agency <ul style="list-style-type: none">Secondary Schools<ul style="list-style-type: none">Academic EducationCareer and Technical Education	Texas Veterans Commission <ul style="list-style-type: none">Veterans Employment and Training
Texas Health and Human Services Commission and its Department of Assistive and Rehabilitative Services <ul style="list-style-type: none">Temporary Assistance for Needy FamiliesRehabilitation ServicesServices for the Blind or Visually Impaired	Texas Workforce Commission <ul style="list-style-type: none">Adult Education and LiteracyApprenticeship Training, Chapter 133Choices Program for TANF AdultsEmployment ServicesSelf-Sufficiency FundSenior Community Service Employment ProgramSkills Development FundSupplemental Nutrition Assistance Program Employment and TrainingTrade Adjustment Assistance/NAFTAWorkforce Innovation and Opportunity Act<ul style="list-style-type: none">AdultDislocated WorkersYouth
Texas Higher Education Coordinating Board <ul style="list-style-type: none">Community and Technical Colleges<ul style="list-style-type: none">Academic EducationTechnical Education	



Texas Workforce System Program Directory: A Guide to Funding and Programs Related to the Texas Workforce System (Directory) catalogues the many programs comprising the Texas workforce system into one publication. A companion document to the system strategic plan and the annual evaluation report, it details workforce development programs and related academic programs administered by the state’s workforce system partner agencies. A concise reference for policy makers and stakeholders, the Directory is distributed to system partners and stakeholders, and is posted on the Council’s website.



Annual Report
Fiscal Year 2015
September 1, 2014–August 31, 2015

About the Council’s Role in the Texas Workforce System

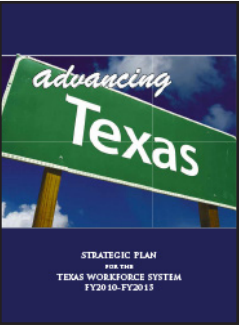
The Texas Workforce Investment Council (Council) was created in 1993 by the Governor and the Texas Legislature to promote the development of a well-educated and highly skilled workforce in Texas. The Council assists the Governor and the legislature with strategic planning, research, and evaluation to support continuous improvement of the Texas workforce system. In addition to its responsibilities in state law, the Council functions as the State Workforce Investment Board under the federal Workforce Innovation and Opportunity Act. The Council does not operate programs but works to foster collaboration and a systems perspective among its partners and their programs. Its impact is demonstrated through initiatives that improve outcomes for workforce customers—employers and current and future workers of Texas—every one of whom is critical to Texas’ economic success.

The Texas workforce system delivers programs, services, and initiatives administered by eight agencies, local workforce development boards, school districts, community and technical colleges, and local adult education providers. The Council’s eight partner agencies are: Economic Development and Tourism within the Office of the Governor; the Texas Department of Criminal Justice, the Texas Education Agency (TEA), the Texas Health and Human Services Commission and its Department of Rehabilitative Services (HHSC-DARS), the Texas Higher Education Coordinating Board (THECB), the Texas Juvenile Justice Department, the Texas Veterans Commission, and the Texas Workforce Commission (TWC).

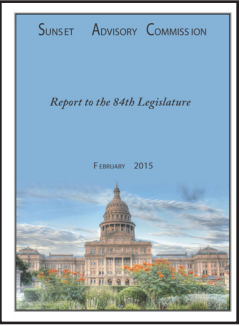
There are 19 members on the Council. The Governor appoints 14 members representing business, organized labor, education, and community-based organizations. The remaining five members are ex officio representatives of the Council’s member state agencies.

The Council produces this annual report, which offers highlights of the Council’s work during the past fiscal year (FY). Included in this year’s report is information on the implementation of *Advancing Texas*, the workforce system strategic plan, as well as evaluations of system programs.

Advancing Texas and other Council products referenced in this report are posted on the Council’s website at <http://gov.texas.gov/twic>.



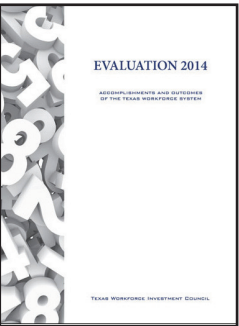
FY 2015 was the sixth and final year of the six-year plan period for **Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015) (Advancing Texas)**. Development and implementation of an integrated strategic plan for Texas’ workforce system – a complex system of interrelated programs and numerous agencies – is one of the Council’s primary responsibilities. The plan outlined 14 long term objectives and a series of action plans for workforce system partners to ensure effective implementation and achievement of outcomes in the plan. The final evaluation and report on progress achieved under this plan will be released in early 2016.



Subject to Texas Government Code, Chapter 325 (Texas Sunset Act), the Council underwent a review by the Sunset Advisory Commission. This review culminated during the 84th Session of the Texas Legislature with action to reauthorize the Council’s statutes and make other changes recommended by Sunset staff. The formal review of the Council began in May 2014 and lasted through January 2015. The recommendations included continuing the Council for 12 more years, aligning future Sunset reviews with those of the Texas Workforce Commission, and abolishing the Texas Skill Standards Board and transferring its functions to the Council. The recommendations were drafted into the Council’s sunset bill, House Bill 1606, which was passed and signed by the Governor, and became effective on September 1, 2015.

The **Workforce Innovation and Opportunity Act of 2014 (WIOA)** was enacted on July 22, 2014. The WIOA authorizes Texas to maintain the current structure and functions of the Council. The legislative provisions are designed to help job seekers access employment, education, and support services. The new law is also designed to improve services to employers by emphasizing the use of career pathways and promoting work-based training and employment focused on in-demand occupations. The Council will assist in the development and review of the state plan which will consist of strategic and operational planning elements that describe the state’s vision, goals, and strategies for preparing an educated and skilled workforce to meet employer needs. The WIOA promotes better alignment and strengthens collaboration with core programs: Title I, workforce development activities, authorizes the one-stop delivery system with which state and local workforce development training and employment activities must be coordinated; Title II, adult education and literacy, authorizes education services for basic skills, secondary education, literacy activities, and English language training to assist adults in improving their skills; Title III, Wagner-Peyser Act of 1933, authorizes the public employment-related services that provide job search and job matching assistance to unemployed individuals through the one-stop system; and Title IV, Rehabilitation Act of 1973, provides employment-related services to individuals with disabilities.

The Council’s **System Integration Technical Advisory Committee (SITAC)** fosters collaboration and engages executive-level representatives from the eight partner agencies, the Texas Association of Workforce Boards, and the Council’s Executive Committee in developing, implementing, and monitoring the action plans, and reporting to the Council. FY 2014 progress on these action plans highlights the effectiveness of interagency collaboration.



The Council is required by Texas Government Code, Chapter 2308, to monitor the state’s workforce system. Annually, the Council reports to the Governor and legislature on the degree to which the system is achieving the state and local workforce goals and objectives of Texas’ workforce system strategic plan, *Advancing Texas*. **Evaluation 2014** was the fifth comprehensive workforce system report under this strategic plan. Significant accomplishments and performance data for 19 workforce programs, as well as five secondary and postsecondary academic education programs, are included. When published in early 2016, **Evaluation 2015** will be the sixth and final evaluation for the *Advancing Texas* strategic plan period. Some of the Council’s FY 2015 accomplishments are highlighted below.

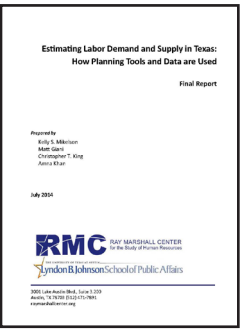
As the State Workforce Investment Board, the Council is charged with the approval of Texas’ **Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Senior Community Service Employment Program State Plan (Program Years 2012-2016)**, which make receipt of WIA formula funding possible. The Council endorsed and recommended to the Governor for approval the State Strategic Workforce Investment Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act on September 7, 2012. The Governor subsequently approved the plan on September 12, 2012. Contained in the plan was the Senior Community Service Employment Program State Plan. During FY 2015, the Senior Community Service Employment Plan for program year 2015 was updated by the Texas Workforce Commission (TWC), which necessitated review and endorsement by the Council, with subsequent recommendation to the Governor for approval. The Council approved the Senior Community Service Employment Plan as a modification to the state plan on March 6, 2015, and the Governor approved the plan on March 24, 2015.

Identifying Skills Gaps
The Texas Government Code directs the Council to evaluate the effectiveness of the workforce system. The Council reached out directly to Texas employers to attempt to quantify types of shortages and hiring difficulties at the regional level and what consequences these issues may have for employers. The Council developed the 2015 Survey of Texas Employers, a survey instrument for Texas employers based on a sample of employers drawn from the state’s unemployment insurance database. In 2015, the Council contracted the **Public Policy Research Institute at Texas A&M University** to administer the survey. The objective was to analyze at the regional level, the types of workers needed, the qualifications and skills required, and what types of job openings are difficult to fill.

The Council is responsible for making **Apprenticeship Funding Formula Recommendations** related to the distribution of available funds in the next fiscal year and administrative procedures for requesting state funds for the apprenticeship programs funded under Chapter 133 of the Texas Education Code. The Council considers the rate of reimbursement for contact hours made to training providers in apprenticeship programs, funding for new and existing apprenticeship programs that have not yet received Chapter 133 funds, and apprenticeship instructor training. On March 6, 2015, the Council approved and transmitted to the TWC for action the recommendations of the Apprenticeship and Training Advisory Committee.

The Council supports system planning and evaluation functions through a suite of research products and news updates that are distributed to members, system partners, and workforce stakeholders, and which are available on the Council’s website.

The Council’s primary products include the strategic plan for the workforce system, evaluation reports and resource publications, reports on critical emerging issues, and recommendations to the Governor. In addition, a series of communication pieces that supports the work of workforce system partners is published quarterly.



The Council identified a need to better understand the tools and approaches used to determine educational supply and employer demand for workforce skills. In 2014, the Council contracted with the Ray Marshall Center at the University of Texas to undertake a research study analyzing the tools, approaches, and available data used in Texas. Findings showed that a number of stakeholders in Texas find such data useful to their organizations. However, few reported that the tools to which they currently have access provide satisfactory supply/demand information. Significant demand for better gap analysis reports was also expressed. Nearly all respondents indicated that provisions of such data and reports by region would be beneficial to their work. Florida’s online supply/demand analysis tool was identified as a best practice tool for producing up-to-date supply/demand data and reports. The system provides comprehensive and timely occupational data.



Policy News Highlights is a quarterly review of selected reports relevant to the policy and research functions of the Council. Federal and state agency websites, in addition to numerous public policy and educational databases, are scanned monthly for relevant and emerging issues. Through summaries of recent publications, the newsletter provides an overview of current topics, trends, and issues affecting the workforce and the workforce system. Topic areas include adult education; apprenticeship; college and career readiness; competitiveness; career technical education; cluster and sector strategies; data; disabilities; supply and demand; and training.

Return on Investment (ROI) studies are relevant to the Council’s duty to evaluate the effectiveness of the workforce system. ROI studies and measures are used to determine what economic benefit is produced in return for the money spent on any given program or service. ROI analysis is an attempt to determine how much money will be made (or lost) relative to the money invested. In consideration of applying such calculations to public policy expenditures, the Council conducted an extensive analysis on relevant ROI studies to synthesize possible models for a potential ROI project in Texas. The study provided projections of time and costs involved, a review of data currently available, and what additional data may be needed. Findings determined that a comprehensive workforce system ROI project would provide significant value, create a benchmark to measure changes in both system and component program effectiveness, and could become essential to understanding and explaining the benefits of workforce programs.